IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH
***

112

CWP-32780-2025
Date of Decision: 06.04.2026

JATINDER KUMAR

…Petitioner

Versus

STATE OF HARYANA AND OTHERS

…Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Saurabh Sudhir Bainsla, Advocate for petitioner

Mr. Akshit Pathania, AAG, Haryana

***

<u>JAGMOHAN BANSAL, J. (ORAL)</u>

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking direction to respondent No.3-State Transport Commissioner, Haryana to issue No Objection Certificate (for short ‘NOC’) in respect of vehicle bearing Registration No.*HR-70T-0069* purchased by him in public auction conducted by respondent.

2. The petitioner claims that respondent conducted e-auction on 03.04.2024. He was required to deposit service fee of Rs.1,180/- which was non-refundable in addition to EMD of Rs.5,000/- which was refundable. As per terms and conditions of the auction, highest bidder was required to pay GST @ 18% over and above the bid amount. He remitted the participation fee along with EMD for vehicle bearing Registration No. *HR-70T-0069* and

make Maruti Ciaz Model 2017. The reserve price of the vehicle was Rs.2,20,000/-. He offered bid of Rs.2,70,000/- which was declared to be highest. Accordingly, a sale certificate dated 11.06.2024 was issued. He was liable to pay GST @ 18% which came to be Rs.48,600/-. He became liable to pay Rs.3,18,600/- i.e. Rs.2,70,000/- towards bid money and Rs.48,600/- towards GST. He remitted aforesaid money vide receipt dated 11.07.2024. He used said vehicle in U.T. Chandigarh. He was interested in getting it registered at Chandigarh. He was required to have NOC from respondent. He applied for NOC. The respondent started demanding road tax and penalty.

3. The petitioner vide order dated 23.02.2026 was directed to file an affidavit to counter Serial 5 of the affidavit filed by Joint Transport Commissioner, Haryana. The petitioner has filed affidavit dated 21.04.2026 disclosing that he has purchased vehicle in public auction and notifications relied upon by respondents are inapplicable to him. The aforesaid notifications are applicable to a new vehicle or vehicle which is registered as transport vehicle or vehicle which is transferred into Haryana from other States. The petitioner is not seeking registration in State of Haryana whereas he merely needs NOC. For the purpose of NOC, the respondent has no authority to charge tax, interest and penalty. As per terms & conditions of the auction notice, he was liable to pay bid amount plus GST which he has already paid. The respondent at the time of delivery was supposed to hand over Registration Certificate. The indenting department could withhold registration number. In the present case, he was handed over vehicle with original registration number.

4. Learned counsel for the petitioner submits that in view of terms & conditions of online auction, if indenting department retains the registration number of the vehicle mentioned in the list, then new number will be provided by transport department at the time of transfer of the registration card. If the indenting department allows for transfer of the registration number of the vehicle, then bidder has to deposit requisite Government fee to the transport department for obtaining the particular number at the time of transfer of the registration card. The petitioner deposited bid money as well as GST. The vehicle was bearing Registration No. *HR-70T-0069* and it belonged to the Principal Chief Conservator of Forests & Chief Wildlife Warden. The indenting department did not opt to retain aforesaid registration card and auctioning authority delivered vehicle along with said number. There is no question for the petitioner to pay road tax or other charges.

5. *Per contra*, learned State counsel submits that the petitioner as per Rule 33E of Haryana Motor Vehicle Rules, 1993 read with notification dated 29.09.2017 was bound to pay tax within 30 days. He failed to pay tax within 30 days, thus, was liable to pay interest and penalty. He is required to pay motor vehicle tax, interest and penalty amounting to Rs.26,565/-. The moment he deposits due tax, NOC will be issued. He is liable to pay interest and penalty on account of non-payment of tax within 30 days from the date of purchase.

6. Heard the arguments and perused the record.

7. The respondent is relying upon Rule 33E of Haryana Motor Vehicle Rules. For the ready reference, Rule 33E is reproduced as below:-

> *"33E. Conditions of transfer and retention of Registration marks.- (1) Before disposing any motor vehicle owned by Government of Haryana or its entities like Departments/Boards/Corporations etc. bearing a registration mark of "GV" series or a preferential registration mark as defined in tables in rule 33B and 33C, by sale or otherwise, the registration mark shall be surrendered to the Transport Department and an alternate registration mark shall be assigned to such vehicle.*
>
> *(2) If any person holding any registration mark desires to change the same to any preferential registration mark or choice registration mark or ordinary registration mark, then he can do so by following the procedure prescribed herein, for such registration mark. He shall have to pay a sum of Rs. 2000/- only as fees for each such transfer, in addition to any other fees or bid amount prescribed for such registration mark.*
>
> *(3) If any person holding any preferential registration mark or choice registration mark or ordinary registration mark wants to transfer such a mark in his own name or in the name of his family members, then he shall have to pay a sum of Rs. 2000/- only as fees for each such transfer. For the purpose of this rule, family will include only the members of the family under a single Parivar Pehchan Patra ID as defined by the Haryana Parivar Pehchan Patra Act, 2021 (20 of 2021). In case of motor vehicle registered in the names of organisations, firms or companies then these can be transferred only on the same name.*
>
> *(4) If any person holding any preferential registration mark or choice registration mark or ordinary registration mark wants to retain such a mark in his own name, without allocation on any motor vehicle, for any reason, then the concerned Registering Authority shall allow such retention*

> *for a period up to 180 days. However, after the expiry of 180 days, the retained mark shall stand transferred to the Transport Department for allocation to any other motor vehicle as provided for in the rules."*
>
> *[Emphasis supplied]*

8. The conceded position emerging from record is that the respondent put a number of vehicles on auction. It was an online auction. The petitioner submitted his application and participated in the auction. He was declared highest bidder qua aforesaid motor vehicle. The vehicle was bearing registration card. The petitioner purchased vehicle along with registration card. He used said vehicle in the U.T. Chandigarh and after one year thought it appropriate to have registration card of Chandigarh, accordingly, submitted documents before Licensing Authority at Chandigarh. He was asked to submit NOC from State of Haryana, thus, he requested respondent to supply NOC. At this stage, respondent raised demand of tax along with interest and penalty.

9. The respondent is relying upon Rule 33E which was inserted in Haryana Motor Vehicle Rules, 1993 by way of notification dated 23.11.2022. The aforesaid notification came into force prior to public notice whereby vehicle in question was put on auction. Ones drafting auction notice were well aware of Rule 33E. They consciously inserted Serial No.14 under heading "terms & conditions of online auction". Serial No.14 reads as:-

> *"14. Retaining/Not Retaining of Registration No. of Vehicle:- It is the sole prerogative of the indenting department as to whether they will retain the Registration No. of the vehicles mentioned in the list or allow to be transferred in the name of the bidder.*

> *(a) If the indenting department retains the Registration No. of the vehicles mentioned in the list then new number will be provided by the Transport Department at the time of transfer of the Registration Card (RC).*
> *(b) If the indenting department allows for transfer of the Registration No. of the vehicles mentioned in the list to the bidder then bidder has to deposit the requisite Govt. Fees to the Transport Department for obtaining the particular number at the time of transfer of the Registration Card (RC)."*

10. Serial No.11 of the terms & conditions provides that on receipt of documentary proof of sale value of vehicle and GST, the indenting department will issue vehicle release order. Serial No.12 provides that vehicle would be sold on "as is where is basis" & "as is what it is basis". Serial Nos.11 and 12 are reproduced as below:-

> *"11. Release Order for Vehicle:- On receipt of documentary proof of deposit of Sale Value of Vehicle and Deposit of G.S.T. @ 18% or as applicable time to time as stated in Serial 12 and 13 above, the Indenting Department will issue Vehicle Release Order to the purchaser under intimation to this office.*
> *12. Place of Delivery:- Consignee's site on "as is where is basis" & "as is what it is basis".*

11. From the conjoint reading of above clauses, it is evident that vehicle is sold on payment of bid money and GST. Sale is on "as is where is basis". The indenting department may retain registration number. In that situation, transport department has to issue another registration card. The indenting department may allow transfer of registration number. In that situation bidder has to deposit requisite government fee to the transport

department for obtaining the particular number at the time of transfer of the registration card. In the case in hand, the indenting department handed over vehicle along with registration number. The registration number remained in the name of indenting department. The auctioning authority as well as indenting department handed over vehicle without asking the petitioner whether he wants to retain existing registration number or not. He was not further asked to deposit Government fees to the transport department for obtaining the particular number. The State Government with respect to particular numbers known as 'Preferential Registration Marks' has framed rules. As per Rule 33B, registration mark "0069" carries reserve price of Rs.50,000/-. The petitioner was liable to pay said amount for retaining existing registration mark. Neither authorities asked him to pay nor he thought it appropriate to pay while retaining said number. The petitioner does not want to retain said number, thus, he cannot be asked to pay aforesaid fee.

12. The respondent is of the opinion that petitioner is liable to pay tax, interest and penalty as per Rule 33E of 1993 Rules. Contention of respondent is misconceived. It is only Rule 33E(1) which deals with sale of Government vehicles. It provides that if vehicles bearing registration mark "GV" series or preferential marks as defined in Rules 33B & 33C are auctioned, the registration mark shall be surrendered to transport department and an alternative registration mark shall be assigned to such vehicle. The conjoint reading of terms & conditions of the auction notice and Rule 33E reveals that registration mark in question was required to be surrendered and authorities were supposed to issue alternative registration mark. The

petitioner or any other bidder was not bound to pay charges and retain preferential number existing on the vehicle sold. It was duty of the respondents to arrange alternative number. The petitioner is not interested to retain said number, thus, it would go back to transport department. He is simply asking NOC to get his vehicle registered with Licensing Authority at Chandigarh. He can be asked to pay charges for NOC but not taxes payable for registration of a vehicle.

13. In the wake of above discussion and findings, the instant petition deserves to be allowed and accordingly allowed.

14. Pending Misc. application(s), if any, shall stand disposed of.

(JAGMOHAN BANSAL)
JUDGE

06.04.2026
SDK

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No